

Statement on Congressional Passage of Student Loan Access Legislation May 1, 2008

Earlier today Congress passed the “Ensuring Continued Access to Student Loans Act” with overwhelming bipartisan support. I am pleased by Congress’s swift action to address this vital issue. In particular, I want to thank the committee chairs and ranking members for their hard work. Millions of students around the country could potentially benefit from this important piece of legislation.

In order to ensure that Americans can continue to compete in the global marketplace, the Federal Government has an obli-

gation to encourage and support people pursuing higher education. By granting the Department of Education greater authority to purchase Federal student loans, today’s action should ease the anxiety many students may feel about their ability to finance their education this fall. Thanks to quick and decisive action by my administration and the Congress, Federal student aid will be available in a more timely fashion.

NOTE: The statement referred to H.R. 5715.

Remarks on the National Economy and a Question-and-Answer Session in Maryland Heights, Missouri May 2, 2008

The President. Thank you very much. Please be seated. Thank you. What he said was, “It’s about time you made it.” [*Laughter*] Dave was right: I was scheduled here at World Wide, and then the fires hit in California, and I went out there to help the people try to recover from the natural disaster. And I told him at the Christmas party there at the White House, I said, “I’m coming back.” I’ve always felt like if you’re a politician and you make a promise, you better keep it. [*Laughter*] And so I have.

And the reason why I wanted to come then and wanted to come back is, I think it’s very important for the President to recognize success and for the President to herald entrepreneurship. And so in meeting with Dave and Jim and the employees of this company, really what I’m saying is that the entrepreneurial spirit is alive and well here at World Wide.

You heard the man say that over the past 7 years, revenues have tripled, and

they’ve expanded the job base by 500 people. And what’s relevant for America is that it’s the small-business sector—I don’t know if you call yourself small anymore; you’re probably a medium-sized business sector—[*laughter*—that creates jobs. Seventy percent of new jobs in America are created by small and medium-sized businesses. And if you’re worried about the economy like I’m worried about the economy, then it makes sense to put policy in place that encourages investment and growth with the job creators.

And that’s what I want to spend a little time talking to you about. But before I do so, I do want to thank the World Wide Technology employees. The truth of the matter is, this company is doing well cause you’ve got imaginative leadership, but you’ve also got great employees who are well motivated, taken care of, inspired. And it’s been my honor to meet some of your employees, and I look forward to answering some of your questions here in a minute.

I do want to thank the Governor of the State of Missouri for joining us. Governor Blunt, I'm proud you're here. Thank you for taking time out of your schedule. The Governor and I discussed the recent storms that have hit parts of Missouri. I assured him that we will stay in touch with his office and the emergency teams to make sure that if there needs to be a Federal response, we will be ready to give one. And obviously, for those who've lost their property today, we send our heartfelt condolences, and just want you to know that when natural disaster strikes, if the disaster is—merits it, there will be a ample and robust government response. So thanks for coming, Governor.

I'm also proud to be here with the United States Senator, Kit Bond from Missouri. Needless to say, he used his time on Air Force One to make sure I understood the issues that were facing the State of Missouri. We spent a little time talking about the Missouri River. And Todd Akin is with us too. Congressman, I'm proud you're here. Thanks for coming.

So we're getting economic news. There's a lot of data beginning to move. On Wednesday, they talked about the fact that the economy in the first quarter grew at 0.6 percent. That's the same as it grew in the fourth quarter of last year. That's not good enough for America. It's positive growth, but we can do better than that. Today there was another report out that showed that we lost 20,000 jobs last month, even though the unemployment rate dropped to 5 percent. In other words, the unemployment rate went down. And again, that's a sign that this economy is not as robust as any of us would like it.

The good news is, is that we anticipated this. Last fall, we started to get indications that the economy was going to slow down. And so I—believe it or not, you can actually work with Congress sometimes on—with people on both sides of the aisle, which is what we did; these two Members

were incredibly constructive—to pass a stimulus package, progrowth package.

There's two aspects to that package I want to spend some time talking about. One of them is, is that you're going to get some money—turns out, it's your own money, but you're going to get it back. [Laughter] Six hundred dollars per person, \$1,200 per couple, \$300 per child; a family of four will be getting a \$1,800 check. And the reason why—and by the way, it's going to affect 130 million families. And the reason why that is good policy, first of all, it's a temporary tax relief, recognizing that we're going to recover. And this is to help stimulate that recovery.

Secondly, we wanted to make sure that people were encouraged to be consumers. We wanted there to be consumption in our society, and no better way to stimulate consumption than to let you have some of your own money back.

Thirdly, it turns out that this money is going to be very helpful in helping people deal with high energy prices and food price. I'm going to spend a little time on energy here in a minute.

And fourthly, it's big enough. In other words, we didn't want to make a political statement. We wanted to make a statement that will affect this economy. When you're affecting 130 million households, with over \$150 billion of progrowth package, it's going to affect us positively. The experts say that beginning—toward the end of this quarter and the beginning of next quarter, we should see some positive signs as a result of the progrowth economic package.

Now, some of you are saying, "You think I'm ever going to see my money? We've heard 'the check is in the mail' deal before." Well, it's coming. They started hitting last Monday. And Secretary of the Treasury Paulson is on top of this, and so you'll start seeing—if you're not—if you didn't get your money electronically, you're going to start seeing it come in the check form.

And for those people in Missouri and around the Nation that do not file income taxes, you need to contact the local IRS office because you're likely to be eligible. And therefore, you got to make sure you sign up for the program in order to get the money. We want you to get the money. And so if you're involved in a church group that's worried about helping people, then make sure that parishioners, or make sure people in the community centers understand that if you're not a filer, you're still eligible to get a check.

Now, the other aspect of the program was to stimulate investment for companies like World Wide. In other words, there's a—you can affect the Tax Code that provides incentives for the CEOs to say, "I think we need—we ought to buy some equipment." And that's important for a couple of reasons: One, it makes you more productive; it makes you more competitive; it gives the employees a better chance to keep this company on a cutting edge.

Secondly, somebody has to make that which you purchase. So if the Tax Code says it's in your interest to buy a piece of equipment or to buy software or to buy something to make this company a better company, then somewhere in the economy somebody is going to make it for you. And that also creates jobs. There's a ripple effect for using the Tax Code to stimulate investment.

I was talking to Dave and Jim, and they were telling me that the incentives built in the progrowth plan for businesses will—have—are causing them to make new investments for you that they may have put off for later years. And the effects of this aspect of the progrowth plan are beginning to kick in as well; in other words, it's just starting. We passed the deal in February.

The point I'm trying to tell you is, is that we worked well with Congress, and that the effects of a robust attempt to inject life hasn't really kicked in yet. And I'm—if you believe these economists, if they had three hands they'd say, "On the one hand,

on the other hand, and then on the third hand." [Laughter] But we've got some smart folks around that are analyzing what this means, and they feel confident about it.

I've been—since I've been your President, I want to remind you, we have been through a recession, we have been through a terrorist attack, we have been at war, we have had corporate scandals, we have had major natural disasters, and yet this economy always recovers. We're a resilient economy because we've got good, capable, smart, hard-working people in America. And I know it's tough times, and I know you're having to pay more at the fuel pump than you want, but this economy is going to come on. I'm confident it will. And I want to thank the folks at World Wide for being a part of the leading edge of optimism here in America and the leading edge in making sure that people can find good, hard—paying jobs.

Let me talk about energy very quickly. I'm fully aware that people are paying dearly at the pump. The other day at a press conference I said it's like a tax; it's a tax on you. The more that gasoline goes up, the more you're paying for the pump, the less money you have in your pocket to spend for your family. I will tell you, it's taken us awhile to get in this fix, and therefore, it's going to take us awhile to get out of the fix. But I want to remind you that an energy policy that basically prohibits America from finding oil in our own land is an energy policy that has led to high gasoline prices.

When I first got to the Congress, I suggested that we have a comprehensive energy policy: one that recognizes the short-term effects of being reliant upon foreign oil; one that says we can use new technologies that will enable us to power our automobiles in different kinds of ways, using ethanol, for example, or battery technology; and one ultimately that will allow hydrogen to power the car.

So we worked well with Congress on the interim step. As you know, ethanol is beginning to take off. And I'm convinced we're going to be able to make ethanol out of something other than corn here relatively quickly, like wood chips or grasses grown in the desert, which will be very exciting for the American people. Hydrogen, we're doing a lot of research on your behalf to have hydrogen-powered automobiles, which means you're running on hydrogen, the waste product of which is water.

But in the meantime, in the short run, we didn't allow exploration for oil and gas in places like Alaska or Outer Continental Shelf. And guess what happened? World demand exceeded supply, and now you're paying for it. If Congress truly is interested in helping relieve the price of gasoline, they would do two things. They would recognize that we can drill for oil and gas in environmentally friendly ways here in the United States, where there is good reserves. And they would build refineries; they would encourage the construction of refineries. Do you know that there hasn't been a new refinery built in America since 1976? No wonder there's constricted supplies. If you want more of something, in this case, you got to build the additional manufacturing capability. And so our gasoline supplies are restricted as well.

My attitude is, I understand the pain, but I also understand if we don't allow us to explore in environmentally friendly ways for oil and gas reserves in the United States of America, we'll remain dependent in the short term on foreign oil. And that's not good for us.

I want to talk about housing very quickly. The key to the housing market is for the market to adjust—you know, built too many houses. We just got to work through the system. But there's things Government should and can do that is responsible—mainly, is to help creditworthy people stay in their home. That's the best thing we can do, is to help somebody who is capable of paying the mortgage, and if they just

need a little help to be able to stay in the home, is to help provide that help.

And here's the dilemma: If you got a—bought yourself a mortgage, in the old days when you—the originator of your mortgage, like a savings and loan, was somebody that you could go and talk in the office, say, "Listen, man, I got a little bit of a problem. I'm in a bind. I need a little help on my interest payment. Or can you extend my note out a little bit?" The originator of the mortgage, the guy who loaned you the money, still owned the paper. In this day and age, the person that loaned you the money for the mortgage may not own the mortgage anymore.

And so we came together—the Treasury Department and groups that help people understand the mortgage market and refinancing experts—and put together what's called the HOPE NOW Alliance, which enables people to go and renegotiate loans. That's what we want to do. We want to help people stay in their homes. The market is going to correct. And what we want to do is to say, here's a way for you to stay in your home. They go to these lenders, big lenders and say, look, just help them out a little bit—delay interest or renegotiate the interest rates or extend the payments. We've helped about 1,400,000 homeowners stay in their homes.

I know there's all kinds of proposals coming out of Congress. I mean, one such proposal was: Why don't you use your money to buy empty houses? Well, that doesn't help the person who's no longer in the house. That may help the lender; that may help the speculator. I'm interested in helping the homeowner. And so I—we'll work with Congress on legislation, but in my judgment, the best kind of legislation focuses on the person that actually owns the home.

Now, look, some people were in there speculating. I don't think Government ought to help speculators. And Government—you know, the truth of the matter is, some folks probably shouldn't have tried

to buy a home in the first place. But there's a lot of good, creditworthy people; they just need a little relief to stay in the home.

The other thing I'm worried about is these reset mortgages. What I'm very concerned about is somebody went out and got them a mortgage, and the person that sold them the mortgage said, "Boy, this is a good, low interest rate for you." They forgot to tell them the second half: that in a couple of years, it's going to bump up. These resets, as you know, you buy a low interest rate, and you get on the paper, and then by a couple of years later, all of a sudden, the interest rate booms up.

And I'm—what I'm really concerned about is fraudulent tactics that didn't tell people that didn't really quite understand what was going on, the full story. And it's a Federal responsibility to make sure if that stuff goes on, people are held to account. We don't want people being cheated in America.

The other thing that the Government can do is to reform what's called these GSEs. These are big Government-backed lending institutions. And we can reform them and get them focused on their core mission, which is to help the mortgage industry move forward, help people in homes.

And finally, another interesting idea is to let the States' housing authorities issue tax-free bonds, which will then provide more money for refinancing.

Finally, I do want to talk about trade. It's an interesting subject here in America. There's a lot of people who say trade is bad for our country. We shouldn't be a nation that opens up markets, that's what they're saying. Unless, of course, you're a Missouri farmer who's selling your product into foreign markets. Unless, of course, you're World Wide Technology, which is expanding in a robust way and is looking for new markets. By the way, it's in your interests if you're working for World Wide that markets be open. If you're good at what you're doing—and you are, obviously;

otherwise, you wouldn't be successful—then trade policy ought to make it easier for you to enter foreign markets.

All I want is for America to be treated the way we treat other nations. I think that's a reasonable thing to ask. And so let me talk about the Colombia free trade agreement. You might have been reading about that lately. It's one of these issues that has created consternation, at least in Washington. Most goods from Colombia come into the United States duty free. That's a result of longstanding congressional policy. Most of our goods and services are taxed going into Colombia. Most goods coming here come in duty free; most goods produced in the United States, or services like yours, pay a tariff. That means a tax. It's more expensive. It's harder to get into the market because what you charge is upped by tax.

I think it makes sense to have Congress say, "We want Colombia to treat us just the way we treat Colombia." It turns out, 9,000 businesses export into Colombia in the United States, 8,000 of which are small and mid-sized businesses. Isn't that interesting? Many of the people benefiting, people working for companies that export into Colombia, work for small businesses and medium-sized businesses.

But Congress doesn't see it that way right now. A lot of Members of Congress do, but they have absolutely shut down the vote on the Colombia free trade agreement. And I think it's irresponsible. If you're worried about the state of the economy, we ought to be opening up markets, not shutting down markets. We ought to be insisting we're treated fairly.

And I'll tell you another problem. In not moving the Colombia free trade agreement, we are turning our back on a very strong ally of the United States of America. There's a President of Colombia named Uribe, and he's got a tough situation down there because he's dealing with what's called FARC, which is an extremist group

that uses drug dollars to perpetuate violence and to move their products mainly to here. And here's a man who says, "I'm going to deal with them, and I'm going to be tough with them." And then all of a sudden, the United States Congress turns its back on him. What kind of message is that?

And so I'm—I strongly urge the Congress to understand that opening up markets is good for our economy. But I also strongly urge the Congress to understand, whether it would be Colombia or Panama or Korea, that we can't be turning our backs on our allies. This is good economics, and it's good national security.

Those are some of the things on my mind. I've got a lot on my mind, by the way. [Laughter] Getting ready to march down the aisle and—[laughter].

What I thought I'd do is answer some questions—any question, any topic. I've been around long enough to dodge them if I can't figure out the answer. [Laughter] I can ask myself one.

Yes, sir, Mr. Chairman—oh, Mr. President. Fine. [Laughter]

Health Care

Q. So as Dave mentioned, we're doing very well as a company. Had a very good first quarter, best first quarter ever. Last year, last 3 years, we've grown about 29 percent. One of the challenges that we have is managing the cost of health care. So with all of our employees here, can you give some of your thoughts in regards to how do we manage the continuing increased cost of health care?

The President. Absolutely. In essence, there's two paths. One is for the Government to basically make most of the decisions. In other words, say, we're going to make sure you have health care, and we'll make sure it's available for you. And the problem with that system is, they basically make decisions for you.

I happen to believe in private medicine. I think it is by far the best route to go

because private medicine has made American health care the best in the world. I don't care what people tell you, America's health care is on the leading edge of change, and our American people get really good health care.

Now the question is, who pays for it? The question is, is it available and is it affordable? And so the approach I've taken is to, one, remember the most important element in any system is the buyer, is the consumer, is the customer. That would be you, if you're a patient. And therefore, the policies that I've articulated have been all aimed at empowering you to have more decisionmaking in the health care system, so as to help deal with costs. If there's no decisionmaking in the system—in other words, there's no shopping, there's no consumerism—price goes up. It's just—it's an economic fact.

And so I'm a strong believer in health savings accounts. I don't know if you have them here, but they are very empowering instruments. They let you make the decisions. They let you save when you don't spend money. They let you roll the money over, tax free. They let you pull it out, tax free, for medical care. It's your money, and it grows.

The other thing is, is that it's portable. When you go from one job to the next, it follows you. So I think it's a very important aspect in a society in which, if you're under 30 years old, you're likely to have worked for seven or eight jobs. In other words, this is a very highly mobile workplace we have now.

Secondly, if you're a small business, you ought to be allowed to pool risk, just like big companies can do. But you ought to be able to do it across jurisdictional boundaries. That's fancy words for, if you're a restaurant in Missouri, you ought to be able to put your employees in a risk pool with a restaurant in Texas. The larger the risk pool—in other words, the more people involved in the insurance—the less price goes up, the easier it is for somebody to find

affordable product. But now it's against the law to do that. So small businesses ought to be allowed to pool risk. That's what big companies do. And I believe we ought to treat World Wide just like—give World Wide the same advantages in the marketplace that big companies get to do. Those are called association health plans.

The Tax Code is discriminatory. It says that if you work for a company, you get tax benefits. If you don't, you don't get tax benefits. If you're a very small company trying to provide health care, the Tax Code discriminates against your employees. We ought to change the Tax Code. We ought to treat everybody the same in the Tax Code, all aiming to drive the establishment of an individual market so that people can better afford health care.

Now, look, we spend a lot of money, by the way, on people who need help. My view of America is that we're rich enough to take care of people who can't help themselves, and we do. We got a robust Medicare system, which, by the way, my administration reformed for the first time since Lyndon Johnson—substantially reformed it since Lyndon Johnson was the President. And now you get a prescription drug benefit. So for all you guys my age, get yourself a prescription drug benefit pretty soon. *[Laughter]*

We take care of the—through Medicaid—community health centers all throughout the country, and we're expanding them so that people can get primary care in a place other than an emergency room.

Thirdly, there needs to be transparency in pricing. How many of you ever asked a doctor how much something costs? Have you ever shopped? And the answer is, no, you likely haven't. It's because the system—somebody else pays your bill in a third-party payer system. And so when somebody else pays the bill, there is no incentive to worry about cost. "Hey, what do I care? Somebody else is paying the bill," you think, until your benefit structure starts to

change because of inflation in the health care system.

And so the whole purpose is to have transparency in the system. One of the things we're doing—you know, we're a big purchaser of health care, thanks to you—like, veterans, Medicare, Medicaid. And so we're now saying that if you participate with the Government, post price, let people see what the different prices are; post quality ratings. It's nice to know, if you're a consumer, isn't it? Whether or not you got a—whether or not somebody you're thinking about paying has got a good record.

The other thing is, is that one of the real cost drivers—there are other cost drivers I want to discuss—so in other words, consumerism helps deal with cost; transparency helps deal with cost. This is a system in which there's been no cost consciousness whatsoever.

Thirdly, there—information technology—the best way to describe this in health care is that people are still taking handwritten files, putting them under their arms, and delivering it from one office to the next. And that means oftentimes there's medical errors because the files get lost. Doctors can't write very clearly anyway. And so you—something gets illegible.

Most industries—your industry is using high-tech to modernize. There's a lot of cost efficiencies that can be wrung out of the system by the advent of information technology. The dream is that someday you've got a medical record, your own medical record—by the way, tamper proof, in other words, protected—that you can use from one office to the next. It's a sign that efficiencies in the system have taken hold.

I'll tell you an interesting story about that. The Veterans Administration in New Orleans was clobbered during Katrina. And so you had a lot of veterans leaving the New Orleans area—many of them going to Houston, for example—but they had electronic medical records. It turns out, the Veterans Affairs is generally ahead of the

rest of the field. And all they did was take their chip and they plugged it into the computers in Houston, and the whole medical records was available. That's—not only it's good for the customer, the patient, but what I'm telling you is, it'll help wring out the inefficiencies in the system. Health care is an inefficient system right now.

And finally—it's a long answer, sorry. [Laughter] I've thought a lot about it. [Laughter] I've analyzed what's best on how to deal with this. It's a very—it's a tough issue for you, and it's a tough issue for small businesses. It's a tough issue. But one of the cost drivers, just so you know, is lawsuits. And if you're an attorney, I don't mean to be stepping on your toe. Well, everybody needs a good attorney, you know—particularly me, since I'm getting sued all the time. But it's a—[laughter]—I think I am.

If you're a doctor and you're afraid you're going to get sued, you practice additional medicine. It's called defensive medicine. You prescribe tests and procedures and perhaps medications that really may not be necessary, but are necessary if you're getting sued, and the suit could drive you out of business. I—and therefore, I'm a big believer in medical liability reform. If you've got an egregious suit, you should be able to take it to the courthouse.

But it's these junk lawsuits that are doing two things around America. They're running good doctors out of practice. I mean, people say, "I can't afford liability insurance," and when they can, they're going to pass it on to you in higher bills. But since you're not paying the bills—somebody else is—it's okay by you. The problem is, it's part of a cost driver. It's making medicine more expensive than it should be.

I really think, at the core of this issue, America has got to be very careful about what kind of health care system to embrace. It's essential that we not undermine private medicine. If you really think about the health care advances in America relative to the rest of the world, they've been

phenomenal. And to me it's that entrepreneurial spirit that's important to maintain on the kind of forefront here in America, and at the same time, make sure we've got a rational approach to health care. There's a long answer to a short question.

Any other questions?

Yes, sir. Everybody gets nervous. I used to hate to ask questions in class. [Laughter] "I hope he doesn't call on me." [Laughter]

Domestic Agenda/War on Terror

Q. I have a statement and a question. *The President.* Okay.

Q. First of all, I want to thank you for encouraging World Wide to sell more CISCO equipment. [Laughter] As an employee at CISCO, we greatly appreciate it.

The President. Yes. There's a marketing genius. [Laughter] The guy has got the national TV cameras on him, and he's going to leave here on his cell phone and say, "Hey, boss, did you see me on C-SPAN?" [Laughter]

Q. And the question is, outside of the economy, what do you see as your single biggest domestic challenge through the end of your term?

The President. The biggest domestic challenge is to protect America from attack. That's the biggest domestic challenge.

I wish I didn't have to say that. You know, it's—but that's reality. The President doesn't have the luxury of dealing with the world the way he wished it was. My job is to do everything I can to rally forces to protect you. And I never thought I would be a war President, never wanted to be a war President, didn't campaign in 2000 saying, I'm going to be a war President. The interesting thing about life is that sometimes you get dealt a hand you didn't expect—oftentimes you do. And the question isn't whether you get dealt the hand. The question is, how do you play it? And here's how I'm playing it.

First, I expect the Congress to give our professionals all the tools they need to protect you again. Let me just start—let me

just take a step back. There must be some in the country who don't believe that the enemy is a threat. I just completely disagree with you. And I would remind people, since September the 11th, a day which affected me deeply, there have been a lot of attacks on innocent people by extremists who use murder as a tool to advance their ideology.

The Government—and this is—the reason I say it's the biggest domestic challenge is because it's our most important responsibility. I mean, there's a lot of important issues, but protecting the people is by far the most important thing. It's the thing I think about the most. This is a different kind of war, and it's hard for some Americans to get their hands around it.

This is a war where we're dealing with nonstate actors. World War II, there was Germany and Japan and Italy. Cold war, there's a big standoff between the Soviet and the United States. There is no nation involved in this war. These are people who, however, share an ideology. Just think about what life was like in Afghanistan under the Taliban with Al Qaida driving the agenda. This is where girls have no rights. You can't worship freely. This is a very dark, grim vision that they believe they must spread far and wide. That's what they think.

And they—one way they achieve their objectives, of course, is to intimidate by death. There's no rules with these people. There's just—so America has got to understand that in order to find them, we've got to get in their heads. If you're facing a nation, you can find the nation. If you're facing people that bury in failed states, you've got to understand how to find them.

One of the interesting debates in Washington, DC, is whether or not we ought to be using modern technologies to understand how this enemy thinks and to get in and figure out what they're planning. And a lot of times that comes over communications companies. The way I put it, just so people can understand in plain English:

If Al Qaida is making a phone call into the United States of America, we better know why. If you're interested in protecting an attack and there's a dirty number being called, the Government of the United States better understand the intentions and why that phone call is being made. And so—and we had that bill passed, thanks to Senator Bond, and yet, curiously enough, the Congress decided to allow the bill to expire. It's called the Protect America Act. And now the Protect America Act is expired, as if the enemy has gone away.

And so I—one huge issue for us is to make sure that the American people understand the facts. You see, what's happened is, is that these phone companies which have allegedly helped the United States monitor conversations are now being sued for billions of dollars of lawsuits. Isn't that interesting? All I'm asking for is the Congress to provide liability protection for patriotic companies that are serving to help you. And yet we can't get them to do it. They're not going to let it vote. They passed it out of the Senate—Kit did a really good job of working with his Democrat counterpart—and they buried that bill in the House of Representatives.

And this is bad for America. I'm telling you, if you expect me to do my job, you better make sure Congress gives our professionals the tools. And we can do this, by the way, in a way that, I promise you, guarantees your civil liberties. We just shouldn't be extending the same liberties to you—to a bunch of thugs that want to murder the American people.

This is another long answer. *[Laughter]* But I—it's very important for you to understand my thinking. I spend a lot of time on this issue, as you can imagine. Second aspect—so in other words, we'll give our professionals tools. We got a lot of really good people working. We meet all the time, Government is meeting constantly, ferreting out any information.

And by the way, just so you know, we're picking up people on the battlefield, and

the battlefield is varied. I mean, we're finding Al Qaida in Iraq. That's—they're trying to kill people in Iraq to drive us out. We're finding them in remote regions of Afghanistan. And a lot of times, they're carrying computers. And so you say, "Where do you get numbers?" We're getting them off the computers of the people we're capturing or bringing to justice. And if there's a phone number on one of those computers of one of these thugs and it links to a phone number somewhere in America, I really think it's in our interest to find out why.

The other thing is just to keep the pressure on them. It's hard to plot and plan if you're moving, if there's enormous pressure, which really is important that we deny safe haven. You hear a lot of discussion about safe haven. Well, safe haven means that these nonstate actors are able to find breathing space to be able to plot. And they're sophisticated. You know, 19 kids on 3 airplanes, it's a sophisticated operation—4 airplanes, excuse me. This is a sophisticated operation. And they're good communicators. These people are—they're a tough enemy.

And so we're pressuring all the time. You probably read your newspaper today. I can understand if you didn't, but you probably—[laughter]—there's—well anyway, there was a strike in Somalia, and the headline says "Al Qaida operative." We're constantly trying to find these people before they hurt you and pressuring all the time.

Finally—and by the way, Afghanistan was denial of a safe haven, and—as well as I saw an existential threat, as did most of Congress, in Saddam Hussein. I understand there's a lot of looking back. But getting rid of Saddam Hussein was the right thing.

And now the question is, will we help the 50 million people in Afghanistan and in Iraq that we liberated realize the blessings of freedom? I'm telling you, it's essential that we do so. This is an ideological war. The people we face have an ideology. Those that came and killed nearly 3,000

citizens on our soil, in the largest attack in American history on U.S. soil, believe something, and so do we.

We believe in human rights and human dignity. We believe in the right to a person to worship or not worship and be equally American. We say loud and clear, "It doesn't matter whether you're Christian, Hindu, Muslim, Jewish, don't believe in anything, you're equally American." They say, "We'll kill you if you don't worship the way we tell you to." And so it's the advance of liberty and freedom which will ultimately achieve the peace we want for our children.

Someday, an American President is going to be saying, this is not that big an issue anymore. But it's going to take an ideology to spread. And so when you see hopelessness as an American President, you got to understand that the only way these thugs can recruit is when they find hopeless people. I mean, who wants to be a suicide bomber except a hopeless person. You notice none of the leaders ever become suicide bombers, by the way. [Laughter]

And so it's—so what you're watching is, you're watching democracy unfold. And some say: "It's not worth it. Who cares how they live?" I'm telling you that we better care how people live. That's why, for example, the HIV/AIDS initiative in Africa is a cornerstone of Bush foreign policy; or helping moms whose little babies are needlessly dying because of mosquito bites is a cornerstone of Bush foreign policy; just like helping Afghan citizens and Iraqi citizens realize the blessings of a free society is a cornerstone of my policy—because in all cases, we're helping people deal with hopelessness. And it's worth it, and it's necessary.

And I operate on this principle—it's a cornerstone principle: I believe in an Almighty, and I believe a gift of that Almighty to every man, woman, and child—every man, woman, and child—is freedom. That's what I believe. I believe deep—[applause]. And if you believe that and you happen

to be the President of the most influential nation, shouldn't you use the influence to help people realize the blessings of freedom? And that's what you're watching happen. And it's going to happen, unless, of course, America grows tired and weary; unless we say it's not worth it and we become isolationist and protectionist.

And so to answer your question, I thank you for giving me a chance to share that with you; it's a big issue for the American people. It's a—what you just asked about is a really important thing for our people to understand. We've been in ideological struggles before.

Let me end—finish this really long answer with—[laughter]—I want to tell you something interesting about my Presidency. One of my best buddies in this war against extremists was the Prime Minister of Japan, Prime Minister Koizumi. You might remember, he's the guy that Laura and I took to Elvis's shop—Elvis's place in Memphis. [Laughter] People go: "So what? So what's the big deal? Other Presidents have had relations with the Japanese Prime Minister." Yes, but other Presidents haven't necessarily been in this kind of struggle before.

And my dad fought the Japanese—that's what's interesting—just like many of your relatives did. They were the sworn enemy of the United States of America. If you think back to 1940—forties, midforties—if you'd have thought an American President would stand up and say, "My close buddy in dealing with the threats to our countries would be the Prime Minister of Japan," they'd say, "Man, you're nuts, hopelessly idealistic." Except the truth is, 60 years after 19-year-old Navy fighter pilot George H.W. Bush took off on a mission serving his country, his son sits down with Prime Minister Koizumi talking about how we can spread freedom as the great alternative to these jihadists that kill. And I have found that to be one of the really ironic twists of history.

What happened between 41—that's what they call the old man, 41; I'm the 43d President, 43—something happened: Democracy took hold. What I'm telling you is, liberty is transformative, freedom is powerful, and if you believe in the universality of freedom, then it makes sense to encourage others to realize the blessings of freedom for the sake of peace.

Any other questions? Look, as you can tell, I can talk all day long. [Laughter]

Yes, sir. Name—[laughter]—in case I'm a talk show host afterwards, you know? [Laughter]

Price of Food

Q. [Inaudible]—I'm Japanese.

The President. And American?

Q. Yes.

The President. Well, then you're American first.

Q. That's right. [Laughter] Good point. And I ask this partly because I'm hungry, but your thoughts on rising food prices?

The President. Yes, thank you. [Laughter] By the way, that's a polite way of saying, "Hey, man, how about cutting it short." [Laughter]

You know, it's a very interesting debate that's taking place. There's two aspects of rising food prices: one, how it affects our own citizens. And again, I'm—we're spending billions of dollars on people who can't afford food, and that's good. We don't have a scarcity issue in America, interestingly enough; we got a price issue. Our shelves aren't going empty, it's just costing more money. And it's why, for example, we've expanded Women and Infants with Children's program to make sure we can help the poor.

Secondly, there is scarcity in the world, and I happen to believe when we find people who can't find food, we ought to help them find it. I just told you why. There's nothing more hopeless than to be a mom wondering whether or not their child is going to get food the next day. And so I announced a major initiative.

By the way, just so you know, America is by far the most generous nation when it comes to helping the hungry, no contest. We're an unbelievably compassionate nation. And so I asked Congress to put some more money out. It will be over—it's about \$5 billion, over a 2-year period of time, of food. Now, keep in mind, we're spending about 19 billion here at home.

Secondly, I think we ought to change our food policy in Africa and other third—developing countries. I think we ought to be buying food directly from farmers as opposed to giving people food. I think we ought to be saying, why don't we help you be able to deal with scarcity by encouraging your farmers to grow and be efficient growers. Otherwise, we're going to be in this cycle forever.

Now, let me talk about price. As you know, I'm a ethanol person. I believe, as I told you, the interim step to getting away from oil and gas is to go to ethanol and battery technologies for your automobiles. I think it makes sense for America to be growing energy. I'd much rather be paying our farmers when we go to the gas pump than paying some nation that may not like us.

And so—but most of ethanol now—or nearly all of ethanol now is produced as a result of corn. And the price of corn is real high now. And so people say, "Well, it's your renewable fuels policy that is causing the price of food to go up." I've looked at this issue a lot. Actually, the reason why food prices are high now is because, one, energy costs are high. And if you're a farmer, you're going to pass on your cost of energy in the product you sell; otherwise, you go broke. And when you're paying more for your diesel, paying more for your fertilizer, because it's got a lot of natural gas in it—in other words, when your basic costs are going up, so does the cost of food.

Worldwide, there is increasing demand. There turns out to be prosperity in the developing world, which is good. It's going

to be good for you, because you'll be selling products into countries—big countries perhaps—and it's hard to sell products into countries that aren't prosperous. In other words, the more prosperous the world is, the more opportunity there is.

It also, however, increases demand. So, for example, just as an interesting thought for you, there are 350 million people in India who are classified as middle class. That's bigger than America. Their middle class is larger than our entire population. And when you start getting wealth, you start demanding better nutrition and better food. And so demand is high, and that causes the price to go up.

And finally, there's been weather-related problems. Some of the major producers of food have had drought. That's what happens. Weather patterns change. And so there's a lot of reasons why the price of food is high. And no question that ethanol has had a part of it, but I simply do not subscribe to the notion that it is the main cost driver for your food going up.

Anyway, it's a good question. You don't look hungry. [Laughter]

Yes.

President's Legacy/Faith-Based and Community Organizations

Q. First off, I would like to thank you for—[inaudible].

The President. Thank you.

Q. Secondly, maybe on a more lighter note, what are your plans after you—[inaudible]?

The President. Thank you. Yes. I'm heading home. I tell people that, first of all, it's been a huge honor to serve the country, and I'm really glad I did. And I thank the American people for giving me a chance to serve. It's—as you can imagine, it's been a remarkable experience.

A couple of points on that—what's probably counterintuitive to you is that this has been a great experience for our family. I've lived in the White House now for 7½ years, and the furniture is interesting—

[laughter]—but it's like a museum. [Laughter] And there's love in that White House, thanks to a good wife. She's great. Laura is a—[applause]—which is one of the reasons this has been a fabulous experience.

You know, obviously, there's some good days and some bad days. I feel so strongly about my principles and my values, and I'm an optimistic guy, that what may appear to be really difficult to deal with—like my buddies from Midland, Texas—that, for me, it's just part of the job. Interestingly enough, it is a lot harder to have been the son of the President than to be the President.

And so it's been a joyous experience. You know, one of the great, really fun things we do is we welcome our pals from west Texas to the White House, and they come to the Oval Office. And they're walking around, they say, "Man, I can't believe I'm here." And then they take a look at me—[laughter].

So the first thing is, I'm heading home. I came from Texas with a set of values, and I'm going to go home with the same set of values. In order to be making consistent decisions in this complex world, you can't be shifting your principles in order to be the popular guy. I guess I'll go home and mow the lawn. I don't—[laughter].

I'm interested in promoting the whole—what I talked to you about—the whole philosophy behind the freedom agenda. I think it's going to be very important to be kept in the forefront of American philosophical thought. And I'm going to build a Presidential library at SMU. It's where Laura went to university, there in Dallas. And I'd like to have a think tank. This isn't a political precinct; this will be a place where we get the thinkers from around the world to come and write about and articulate the transformative power of freedom, abroad and at home.

One of the initiatives that I'm very proud of is the interface between government and faith-based and community groups. I believe that government ought to empower

people who have been called to serve for reasons other than just government law. And there are thousands, by the way, of social entrepreneurs all throughout the country, little healers and helpers that just can make a difference in somebody's lives. And I think it's in our interests to empower groups through the use of your—taxpayers' money, without using your money to proselytize. And let me give you an example.

If you're a drug addict or a heavy boozier, sometimes it requires more than a psychological counseling session to convince you to quit. As a matter of fact, a lot of people have turned to a higher power, which is not part of a government program. And so I'm—strongly support taxpayers' money going to an individual that seeks help and allowing that person, if he or she so chooses, to seek the redemptive power of a higher being as part of a government program.

And so I'd like to—and that's something else I'd like to foster. But other than that, I mean, that's as far as I've—I got a lot to do. I mean, I really do have a lot to do. It's—which makes the job exciting.

Now that you didn't ask, I'll tell you something interesting about—so if you walk in the Oval Office, I hope you'd be struck by a beautiful rug that's there. And so I was getting ready to be sworn in as President. And we're at the Blair House, which is right across the street from the White House. And as you can imagine, it was a slightly nerve-racking moment, when I was preparing the Inaugural Address to be sworn in as your President. And the guy calls and says, like, "You're supposed to pick the rug." I said, "Huh?" [Laughter] He said, "So you're supposed to pick the color rug you want in the Oval Office." And the first lesson there is, when you're short on a subject—and I'm short on rugs—delegate. [Laughter]

And I think it's going to be very important, as you pay attention to the Presidential race, to try to come up with not only who you agree with, obviously, but

whether that person knows how to delegate, knows how to set up a structure so that good information can make it into the Oval Office in a way that enables good decisionmaking. The temptation, of course, is to walk in the Oval Office and say, "Oh, man, you're looking beautiful." And the President doesn't need somebody—because generally he's not looking beautiful. The President needs somebody to walk in and say, "Here's what I think."

So when you think about good, solid advisers—at least in my case—think about somebody like Condoleezza Rice or Hank Paulson—used to run Goldman Sachs—or Bob Gates. These are strong, capable people. And my job is to make sure that the environment is such that they can walk in and say, "Mr. President, here's what I'm thinking; here's my advice." And their job, by the way, once the President makes up his mind, is say, "Yes, sir, Mr. President." [Laughter] And so in this case, I delegated to Laura. [Laughter] And I should—and it's—and by the way, it's not "Yes, sir, Mr. President," it's—[laughter]—"Yes, ma'am, First Lady." [Laughter]

I said—here's an interesting lesson about the Presidency and life in general if you're delegating. I said to Laura—I said, "I want the rug to say 'optimistic person comes to work.'" I didn't say, "Here are the colors." In other words, I left the tactics to her, and the strategic thought was mine. The strategic thought is—behind that is that you can't possibly lead unless you're optimistic that tomorrow is going to be better. And just so you know, I hope at least one thing you come away from this is, I am absolutely optimistic, in my very soul and very core, that in the defense of America, we're laying the foundation for peace.

And so the rug looks like the sun. And you walk in, man, I'm telling you, it is optimistic. [Laughter] It's a fabulous rug. Yes.

*Faith-Based and Community Organizations/
Pope Benedict XVI/President's Visit to
Romania*

Q. I just want to start by saying that my mom prays for you every day.

The President. Yes. Thank you.

Q. All right. I'm Dan Buck. I'm with St. Patrick's Center, and we help end homelessness for thousands of folks in St. Louis.

The President. There you go.

Q. But your Faith-Based and Community Initiative has truly broken down walls between government and faith-based organizations.

The President. Thank you for saying that.

Q. We have grown from 4 million to 12 million. We serve more people more effectively because of that partnership. How do we grow it after your administration? Will this continue, and is there plans in place that the FBCI will continue?

The President. Well, I think—thank you for asking that, and thanks for your kind words. It's just going to be very important for organizations that understand the power and the leverage that can be gained by the use of money that could be going elsewhere to stay in the program. It's going to require Governors to open up faith-based offices, as well, and just get it ingrained in the system. And then your elected officials have to understand how powerful this has been. It's—again it recognize—there's some great Federal programs, some State programs, but there's a lot of programs that are really effective that can be helped by empowering individuals to have a script or money that they can redeem at their services.

And so thanks for saying—are you a Catholic? Yes. So here's one of the great moments of the Presidency: the Holy Father coming to the South Lawn. I'm telling you, it was a magnificent moment. It's the largest crowd we've ever had on the South Lawn. And it was really interesting, from this Methodist's perspective, was to watch

the reaction for our fellow citizens to His Holy Father. And it was a magnificent moment. The day—it was a beautiful day, and the Army choir sang “The Battle Hymn of the Republic.” That was just great. Anyway, we had a wonderful trip, and it was such an honor.

I mean, you get to do some fabulous things as President. You asked about the—and one of them is welcoming the Holy Father to the south ground of the White House. You know, we—Laura and I went out to Andrews Air Force Base to see him, and then his first public event was there, and then he went on from there for the rest of his trip.

It was—you know, representing our country has been a fabulous experience—I want to conclude by one story, and then I got to—I’m heading out of here. And this guy is hungry. [*Laughter*] So am I. Yes. [*Laughter*]

I’m going to tell you an interesting story about this experience in—so I was going to Bucharest, Romania. Romania had just been admitted into NATO. And the big deal there for the Romanian citizens that had come under the—come out from underneath the clutch of a brutal dictator named Ceausescu was, if you’re a member of NATO, there’s a clause that says, “An attack on one is an attack on all.” In essence, if there’s—they get the—they have the United States of America, the great United States of America, as somebody to help them, as an ally. And that’s really important for a lot of countries. And they had just been accepted into NATO, and the President asked me and Laura to go. And there was 225,000 people, more or

less, in the town square to see the American President, and it was raining.

Now the interesting thing from my perspective was that I was here, and there was a balcony lit in the town square, and I was told this was where the tyrant Ceausescu and his wife had made their last public appearance. And the story has it that he—somebody started chanting, “Liar,” and he realized his power was slipping away, and then he tried to get out of there. And anyway, he was done in by the people. They were tired of him. He was a brutal guy.

And so that was my line of sight. And the President introduced me, and just as I got up to speak, a full rainbow appeared. And it was a startling moment. And I turned back—Laura was, like, from me to you back there—I went, “Look, baby, look up there.” And so when I pointed up, 225,000 heads whipped around to look at the rainbow. I then ad-libbed, “God is smiling on Bucharest.” And the reason I did is because the rainbow ended right behind the balcony where the tyrant had given his last speech. Liberty is transformative, and it will yield the peace we want.

Thanks for coming by. God bless.

NOTE: The President spoke at 11:11 a.m. at World Wide Technology, Inc. In his remarks, he referred to David L. Steward, chairman of the board, James P. Kavanaugh, chief executive officer, and Joseph G. Koenig, president, World Wide Technology, Inc; President Alvaro Uribe Velez of Colombia; Pope Benedict XVI; and former President Ion Iliescu of Romania.

Message on the Observance of Cinco de Mayo, 2008 *May 2, 2008*

I send greetings to those celebrating Cinco de Mayo.

Cinco de Mayo is a joyful day in Mexican history and an important milestone in the